

ASSIGNMENT

BOOK 28 PAGE 263

THIS ASSIGNMENT, MADE AND ENTERED INTO this 10th day of October, 1956, by and between HOLLY MINERALS CORPORATION (formerly Holly Uranium Corporation), a Delaware Corporation, Party of the First Part, hereinafter called "ASSIGNOR", and PHILLIPS PETROLEUM COMPANY, a Delaware Corporation, Party of the Second Part, hereinafter called "ASSIGNEE",

WITNESSETH:

Assignor is the owner of an undivided twenty five percent (25%) interest in and to that certain mining lease dated February 6, 1956, as amended, made and entered into by and between Paul E. McDaniel, Inc., as Lessor, and Holly Minerals Corporation, as Lessee, recorded in Volume 11 at Page 232 in the Lease Records of McKinley County, New Mexico, which said lease covers the following described unpatented lode mining claims being situated in and covering all of Sections 28 and 34, Township 14 North, Range 9 West, N.M.P.M., McKinley County, New Mexico, to-wit:

- (a) Ann Lee No. 1 through Ann Lee No. 36, inclusive, the original notices of location of which are recorded in Volume 21 at Pages 107 through 142 of the Miscellaneous Records of McKinley County, New Mexico.
- (b) Ann Lee Fraction, the notice of location of which is recorded in Book 31 at Page 114-115 of the Mining Claim Records of McKinley County, New Mexico.
- (c) Sandstone No. 1 through Sandstone No. 36, inclusive, the original notices of location of which are recorded in Volume 21 at Pages 143 through 178 of the Miscellaneous Records of McKinley County, New Mexico.
- (d) Sandstone Fraction #1 through Sandstone Fraction #5, the original notices of location of which are recorded in Book 31 at Pages 116-125 of the Mining Claim Records of McKinley County, New Mexico;

which said mining lease, in addition to the royalties payable under the terms thereof, is burdened with the payment of Two Hundred Thousand Dollars (\$200,000.00) out of the proceeds derived from the sale of minerals extracted and sold from Section 28, Township 14 North, Range 9 West, and Two Hundred Thousand Dollars (\$200,000.00) out of the proceeds derived from the sale of minerals extracted and sold from Section 34, Township 14 North, Range 9 West, said sums being payable at the rate of five per cent (5%) of the dry ton value of ore at the mill including bonus payments and premiums but excluding allowances for transportation and development, which said payments are more particularly set forth and defined in that certain option agreement dated February 6, 1956, made and entered into between F. H. Ives, et al, as Sellers, and Holly Uranium Corporation, as Buyer.

STATE OF NEW MEXICO
COUNTY OF MCKINLEY
Filed for record in the Clerk's office
this 23rd day of October
A. D. 1956, at 1:05 o'clock
and recorded in Book 28, Page 263



NOW THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby transfer and assign unto Assignee an undivided twenty-five per cent (25%) interest in and to the above described mining lease, as amended, insofar as it covers all of the above described mining claims, together with all of its interest in said mining claims and the lands covered thereby, reserving and excepting, however, unto Assignor that portion of the aforementioned payment on production which may be now owned by it.

Assignor represents and warrants that the interest herein conveyed to Assignee is free and clear of all liens, claims, clouds and encumbrances caused, suffered or created by, through or under it, subject, however, to the payment on production hereinbefore mentioned.

IN WITNESS WHEREOF, this agreement is executed on the date first above written.

HOLLY MINERALS CORPORATION
Attest:
1934 H. G. Burns
Ass't Secretary

HOLLY MINERALS CORPORATION
by A. H. McRae
A. H. McRae, President

STATE OF New Mexico)
COUNTY OF Bernalillo) SS.

On this 10th day of October, 1934, before me, the undersigned, a Notary Public within and for said County and State, appeared A. H. McRae, to me personally known, who, being by me duly sworn, did say that he is the President of Holly Minerals Corporation, a corporation, and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and said A. H. McRae acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and seal of office the day and year last above written.

My Commission Expires:

Notary Public

